

PSJ3

Exhibit 449

From: Gray, John <jgray@hdmanet.org>
Sent: Wednesday, July 11, 2012 2:48 PM
To: 'Connie R. Woodburn (connie.woodburn@cardinalhealth.com)'; 'Jeff Eller (jeller@pstrategies.com)'
Subject: Updated RAND Proposal
Attachments: Diversion Proposal June 26 2012.docx

Connie and Jeff:

Attached is the latest RAND proposal. I think they are still a bit squishy about the \$1 million plus funding. Seems they expect us to provide most of it. Also, their timeline is longer than I thought it would be. In any event, I am sitting on this until we hear from the attorneys with respect to the West Virginia litigation to determine what role HDMA can or cannot play in that effort. We will have to decide whether or not the RAND initiative will be too little too late and whether or not it helps or hinders the West Virginia matter. Furthermore, will HDMA's resources be better applied to a much larger PR effort concerning both West VA and the rest of the states' attorneys generals to prevent the West VA litigation from spreading to other jurisdictions? These are just some of the question I have at this point. Thoughts?

Thanks,
John